

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

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UNITED STATES OF AMERICA,

16-cr-338 (PKC)

-against-

ORDER

WILLIAM WALTERS,

Defendant.

-----X  
CASTEL, U.S.D.J.

A knowing violation of the rule protecting grand jury materials is punishable as contempt of court. Rule 6(e)(7), Fed. R. Crim. P. In the case before this Court, a supervisory special agent of the Federal Bureau of Investigation leaked grand jury material to journalists without authority to do so. To enable the Court to make its own independent determination of whether and/or when to proceed with contempt proceedings, this Court ordered as follows:

Chaves is currently the subject of a criminal investigation led by the Department of Justice's Public Integrity Section. (Gov.'s Mem. in Opp., Jan. 30, 2017, Dkt. No. 82 at 1-2.) The Court directs the United States Attorney for this district to report to the Court in writing on the status of all investigations and proceedings against Special Agent Chaves or any other person making or concealing unauthorized disclosures related to insider trading investigations within 14 days of this Memorandum and Order and, thereafter, within 14 days of the close of every calendar quarter until further ordered.

(Memorandum and Order of Mar. 1, 2017 (Dkt. 104.))

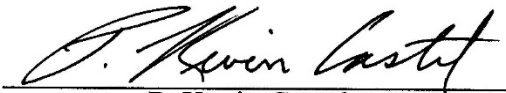
No objection was voiced by the government. The Office of the United States Attorney ("USAO") requested that the Public Integrity Section be substituted as the reporting party because the USAO was recused from the investigation. The Court granted that request. (Order of Mar. 13, 2017 (Dkt. 113.))

Mailed to Annalou T. Tirol 6/16/2017

The Acting Chief of the Public Integrity Section has submitted a purported report ex parte and under seal which provides no meaningful information. The four lines of text (beyond the introductory and concluding sentences) contain virtually no substance. What the Court learns is that the Section and the Inspector General are “continuing to investigate this matter,” they have obtained records and conducted multiple interviews and their “review of these materials is ongoing.” That is it.

The Acting Chief of the Public Integrity Section is ordered to resubmit the report, providing meaningful information about the investigations and their expected duration, within fourteen days of this Order.

SO ORDERED.

  
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P. Kevin Castel  
United States District Judge

Dated: New York, New York  
June 16, 2017